



Agenda

Audit and Standards Committee

Date:	Thursday, 26 May 2022 at 6:30 pm
Venue:	Town Hall, St Annes, FY8 1LW
Committee members:	<p>Councillor Ellie Gaunt (Chairman)</p> <p>Councillor Ed Nash (Vice-Chairman)</p> <p>Councillors Paula Brearley, Delma Collins, Peter Collins, Brian Gill, Will Harris, Paul Hayhurst, John Singleton JP.</p>

	PROCEDURAL ITEMS:	PAGE
1	Declarations of Interest: Declarations of interest, and the responsibility for declaring the same, are matters for elected members. Members are able to obtain advice, in writing, in advance of meetings. This should only be sought via the Council's Monitoring Officer. However, it should be noted that no advice on interests sought less than one working day prior to any meeting will be provided.	1
2	Confirmation of Minutes: To confirm the minutes, as previously circulated, of the meeting held on 17 March 2022 as a correct record.	1
3	Substitute Members: Details of any substitute members notified in accordance with council procedure rule 23(c).	1
	AUDIT DECISION ITEMS:	
4	Internal Audit Progress Report	3 - 16
5	Revised Anti-Fraud, Bribery & Corruption Statement & Strategy and Fraud Response Plan Review	17 - 41
	AUDIT INFORMATION ITEMS:	
6	Corporate Fraud Team Report 2021/22	42 - 69
7	Local Government Ethical Standards: Government Response	70

Contact: Democracy – Email: democracy@fylde.gov.uk

The code of conduct for members can be found in the council's constitution at
<http://fylde.cmis.uk.com/fylde/DocumentsandInformation/PublicDocumentsandInformation.aspx>

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DECISION ITEM

REPORT OF	MEETING	DATE	ITEM NO
MERSEY INTERNAL AUDIT AGENCY (MIAA)	AUDIT AND STANDARDS COMMITTEE	26 MAY 2022	4
INTERNAL AUDIT PROGRESS REPORT			

PUBLIC ITEM

This item is for consideration in the public part of the meeting.

SUMMARY

This report provides an update to the Audit & Standards Committee in respect of the progress made in against the Internal Audit Plan for 2021/22 and draws attention to matters relevant to members responsibilities.

RECOMMENDATION

To receive, consider and comment on the Internal Audit Progress Report which is attached to this covering report.

SUMMARY OF PREVIOUS DECISIONS

Internal Audit Plan 2021/22 approved by the Audit and Standards Committee on 15th July 2021.

Internal Audit Plan 2021/22 audit review timing changes approved by the Audit and Standards Committee on 29th September 2021.

CORPORATE PRIORITIES	
Economy – To create a vibrant and healthy economy	✓
Environment – To deliver services customers expect	✓
Efficiency – By spending money in the most efficient way	✓
Tourism – To create a great place to live and visit	✓

REPORT

- The attached report has been prepared by the Council's internal auditors, MIAA. It provides an update to the Audit and Standards Committee in respect of the assurances, key issues and progress against the Internal Audit Plans 2021/22. Comprehensive reports detailing findings, recommendations and agreed actions are provided to the organisation, and are available to Committee Members on request.
- MIAA will present the report to the meeting.

IMPLICATIONS	
Finance	No implications.
Legal	No implications.
Community Safety	No implications.
Human Rights and Equalities	No implications.
Sustainability and Environmental Impact	No implications.
Health & Safety and Risk Management	No implications.

LEAD AUTHOR	CONTACT DETAILS	DATE
Louise Cobain	louise.cobain@miaa.nhs.uk	May 2022

BACKGROUND PAPERS		
Name of document	Date	Where available for inspection
Internal Audit Plan	15 July 2021	Internal Audit Team

Attached documents

Appendix 1 - Internal Audit Progress Report

Internal Audit Progress Report Audit & Standards Committee (May 2022)

Fylde Borough Council

Contents

1 Introduction

2 Key Messages for Audit & Standards Committee Attention

Appendix A: Contract Performance

Appendix B: Performance Indicators

Appendix C: Key Areas and Actions to be Delivered

Appendix D: Assurance Definitions and Risk Classifications

Your Team

Name	Role	Contact Details
Louise Cobain	Engagement Lead	Louise.Cobain@miaa.nhs.uk 07795 564916
Fiona Hill	Engagement Manager	Fiona.Hill@miaa.nhs.uk 07825 592842

Limitations

The matters raised in this report are only those which came to our attention during our internal audit work and are not necessarily a comprehensive statement of all the weaknesses that exist, or of all the improvements that may be required. Whilst every care has been taken to ensure that the information in this report is as accurate as possible, based on the information provided and documentation reviewed, no complete guarantee or warranty can be given with regards to the advice and information contained herein. Our work does not provide absolute assurance that material errors, loss or fraud do not exist.

Responsibility for a sound system of internal controls and the prevention and detection of fraud and other irregularities rests with management and work performed by internal audit should not be relied upon to identify all strengths and weaknesses in internal controls, nor relied upon to identify all circumstances of fraud or irregularity. Effective and timely implementation of our recommendations by management is important for the maintenance of a reliable internal control system.

Reports prepared by MIAA are prepared for your sole use and no responsibility is taken by MIAA or the auditors to any director or officer in their individual capacity. No responsibility to any third party is accepted as the report has not been prepared for, and is not intended for, any other purpose and a person who is not a party to the agreement for the provision of Internal Audit and shall not have any rights under the Contracts (Rights of Third Parties) Act 1999.

Public Sector Internal Audit Standards

Our work was completed in accordance with Public Sector Internal Audit Standards.

1 Introduction

This report provides an update to the Audit & Standards Committee in respect of the progress made in against the Internal Audit Plan for 2021/22 and brings to your attention matters relevant to your responsibilities as members of the Audit & Standards Committee.

This progress report provides a summary of Internal Audit activity and complies with the requirements of the Public Sector Internal Audit Standards.

Comprehensive reports detailing findings, recommendations and agreed actions are provided to the organisation, and are available to Committee Members on request. In addition, a consolidated follow up position is reported on a periodic basis to the Audit & Standards Committee.

This progress report covers the period 10 March – 16 May 2022.

2 Executive Summary

There has been the focus on the following areas:

2021/22 Audit Reviews

Audit work has been profiled in line with requests and is progressing satisfactorily. We are on track to deliver your Head of Internal Audit Opinion.

The following reviews have been finalised:

- Shared Service and Third Party Assurance (Substantial Assurance level)
- Project Management Framework (Moderate Assurance level)

Refer to Appendix C for details of Key Areas and Actions to be delivered

The reviews below are currently at draft report stage or are in progress:

- Cyber Security (draft report)
- Data Sharing Protocols (draft report)
- Property Repairs and Maintenance (work in progress)
- Treasury Management (draft report)
- Key Financial Controls (work in progress)
- NNDR & Council Tax (work in progress)

	<ul style="list-style-type: none">• S106 (work in progress) <p>Appendix A provides an overview of the delivery of your Head of Internal Audit Opinion for 2021/22.</p> <p>Appendix B provides information on Internal Audit performance.</p>
Follow Up	<p>A summary of the status of moderate and limited assurance rated reports was provided at the previous Audit and Standards Committee in March. We will continue to follow-up outstanding actions and will provide a further update at the July 2022 meeting.</p>
Audit Plan Changes	<p>Audit and Standards Committee approval will be requested for any amendments to the original plan and highlighted separately below to facilitate the monitoring process.</p> <p>There are no changes to report to the Audit and Standards Committee.</p>
Insights	<p>Collaborative Masterclass Events</p> <ul style="list-style-type: none">• <u>Restoration and Recovery: Improving the Health and Wellbeing Needs of Individuals, Teams and Communities</u> (16th June 2022)• <u>How Can Strengths Based Working Lead to Healthier and Happier Communities</u> (7th July 2022)

Appendix A: Contract Performance

The Public Sector Internal Audit Standards (PSIAS) state that ‘The chief audit executive must deliver an annual internal audit opinion and report that can be used by the organisation to inform its governance statement.’

Below sets out the overview of delivery for your Head of Internal Audit Opinion for 2021/22:

HOIA Opinion Area	Status	Assurance Level
Risk Management		
Risk Management	Completed	Moderate
Risk Based Assurances		
Vehicles and Equipment Asset Disposals	Completed	Limited
Disabled Facilities Grant	Completed	Moderate
Housing Benefits	Completed	Substantial
Health & Safety	Completed	Moderate
Third Party Assurance	Completed	Substantial
Property Repairs and Maintenance	In progress	
Data Sharing Protocols	Draft Report	
Cyber Security	Draft Report	
Project Management	Completed	Moderate
Treasury Management	Draft Report	
NNDR & Council Tax	In progress	
Key Financial Controls	In progress	
S106	In progress	
COVID Support	Resources used for follow-up work	
Follow Up		

HOIA Opinion Area	Status	Assurance Level
Qtr 1	Completed	N/A
Qtr 2	Completed	
Qtr 3	Completed	
Qtr 4	Completed	

Management

Head of Internal Audit Opinion/Annual Report/Annual Governance Statement	Ongoing	N/A
Planning and Management		
Reporting and Meetings		
Contingency		

If due to circumstances beyond our control we are unable to achieve sufficient depth or coverage, we may need to caveat opinions and explain the impact of this and what will be done to retrieve the position in future.

Appendix B: Performance Indicators

The primary measure of your internal auditor's performance is the outputs deriving from work undertaken. The following provides performance indicator information to support the Committee in assessing the performance of Internal Audit.

Element	Reporting Regularity	Status	Summary
Delivery of the Head of Internal Audit Opinion (Progress against Plan)	Each Audit Committee	Green	There is ongoing engagement and communications regarding delivery and finalisation of key reviews to support the Head of Internal Audit Opinion. As a result of the delayed External Audit completion, reviews requiring input from the Finance team were deferred until Quarter 1.
Issue a Client Satisfaction Questionnaire following completion of every audit.	Ongoing	Green	Link to questionnaire included within each audit report.
Percentage of recommendations raised which are agreed	Quarterly	Green	Actions agreed by the Council on all recommendations raised.
Percentage of recommendations which are implemented – reports issued prior to April 2021	Quarterly	Amber	Most recommendations have been implemented or are in progress with further work required.
Percentage of recommendations which are implemented - reports issued post April 2021	Quarterly	Green	Recommendations not yet due for follow up, have been completed or are in progress.
Qualified Staff	Annual	Green	MIAA have a highly qualified and diverse workforce which includes 75% qualified staff. The Senior Team delivering the Internal Audit Service to the Council are CCAB/IIA qualified.
Quality	Annual	Green	MIAA operate systems to ISO Quality Standards. The External Quality Assessment, undertaken by CIPFA, provides assurance of MIAA's compliance with the Public Sector Internal Audit Standards.

Element	Reporting Regularity	Status	Summary
			MIAA conforms with the Public Sector Internal Audit Code of Ethics.

Appendix C: Key Areas from our Work and Actions to be Delivered

Report Title	Shared Service and Third Party Assurance			
Executive Sponsor	Deputy Chief Executive			
Objective	To assess the assurance that the Council receives from its Shared Service and Third-Party Services provider on the quality of service provided and that this assurance is received by a designated Management Group of the Council.			
Assurance Level	Substantial			
Recommendations	0 X Critical	0 x High	1 x Medium	3 x Low
Summary	<p>The review found that there was a good system of internal control in place to manage Council Shared Service and Third Party Service providers and controls were generally being applied.</p> <p>Below are the key points arising from the review.</p> <ul style="list-style-type: none"> • Service Level Agreements (SLAs) existed between Fylde Council and Blackpool Council and also between Fylde Council and Preston City Council. The SLAs were in date. • There were regular meetings between Fylde Council and the third party Council suppliers. Minutes demonstrated they are well attended with a good rapport between parties, and an openness around issues both current and forthcoming. • Fylde Council benefits from the cross-working arrangements with both Blackpool Council and Preston City Council such as revision to policies and consideration of changes both on a national and local level. • Minutes of meetings we reviewed demonstrated that the impact on services provided by Blackpool Council, both in-year and forthcoming accounting periods had been discussed. • Risk management reporting on the Services received will be improved. 			
Key Risks Highlighted with No Agreed Action	N/A			

Report Title	Project Management Framework			
Executive Sponsor	Chief Executive			
Objective	To provide assurance over the design and operating effectiveness of Project Management at the Council			
Assurance Level	Moderate			
Recommendations	0 x Critical	1 x High	0 x Medium	0 x Low
Summary	<p>Overall, the review identified that the design of the project management framework controls would benefit from strengthening and the need to be applied consistently.</p> <p>The Council has acknowledged that improvements are required and has established a post to co-ordinate and communicate the delivery of major capital projects.</p> <p>The Council has available a three-stage project framework supported by a standard suite of forms and guidance, but the framework had not been followed in practice. We recognise that arrangements were also informed by funding agreements, which are not consistent in methodology or always as formal as would be ideal. We also acknowledge the impact that absence or leavers has had on the capacity for formality and structure within project management, along with Covid-19.</p> <p>We understand that a pragmatic rather than an idealistic approach is required to project management improvement due to the resource constraints in a relatively small organisation to a fuller, portfolio management approach. Our audit report therefore supports the Council's actions in progress to improve its project management.</p>			
Key Risks Highlighted with No Agreed Action	N/A			

Appendix D: Assurance Definitions and Risk Classifications

Level of Assurance	Description
High	There is a strong system of internal control which has been effectively designed to meet the system objectives, and that controls are consistently applied in all areas reviewed.
Substantial	There is a good system of internal control designed to meet the system objectives, and that controls are generally being applied consistently.
Moderate	There is an adequate system of internal control, however, in some areas weaknesses in design and/or inconsistent application of controls puts the achievement of some aspects of the system objectives at risk.
Limited	There is a compromised system of internal control as weaknesses in the design and/or inconsistent application of controls puts the achievement of the system objectives at risk.
No	There is an inadequate system of internal control as weaknesses in control, and/or consistent non-compliance with controls could/has resulted in failure to achieve the system objectives.

Risk Rating	Assessment Rationale
Critical	Control weakness that could have a significant impact upon, not only the system, function, or process objectives but also the achievement of the organisation's objectives in relation to: <ul style="list-style-type: none"> the efficient and effective use of resources the safeguarding of assets the preparation of reliable financial and operational information compliance with laws and regulations.
High	Control weakness that has or could have a significant impact upon the achievement of key system, function, or process objectives. This weakness, whilst high impact for the system, function or process does not have a significant impact on the achievement of the overall organisation objectives.
Medium	Control weakness that: <ul style="list-style-type: none"> has a low impact on the achievement of the key system, function, or process objectives. has exposed the system, function, or process to a key risk, however the likelihood of this risk occurring is low.
Low	Control weakness that does not impact upon the achievement of key system, function, or process objectives; however, implementation of the recommendation would improve overall control.

DECISION ITEM

REPORT OF	MEETING	DATE	ITEM NO
HEAD OF GOVERNANCE	AUDIT AND STANDARDS COMMITTEE	26 MAY 2022	5
REVISED ANTI-FRAUD, BRIBERY & CORRUPTION STATEMENT & STRATEGY AND FRAUD RESPONSE PLAN REVIEW			

PUBLIC ITEM

This item is for consideration in the public part of the meeting.

SUMMARY

This report comes before Members for approval of the revised Anti-Fraud, Bribery and Corruption Statement & Strategy and the Fraud Response Plan.

RECOMMENDATIONS

Members are asked to approve the Anti-Fraud, Bribery and Corruption Statement & Strategy and the Fraud Response Plan as set out in Appendices A and B respectively.

SUMMARY OF PREVIOUS DECISIONS

The Anti-Fraud & Corruption Strategy/Policy, Anti-Bribery Policy & Forensic Readiness Policy were last reviewed and approved by the Audit & Standards Committee in November 2020.

CORPORATE PRIORITIES	
Economy – To create a vibrant and healthy economy	✓
Environment – To deliver services customers expect	✓
Efficiency – By spending money in the most efficient way	✓
Tourism – To create a great place to live and visit	✓

BACKGROUND

1. In administering its responsibilities, Fylde Council has a duty to protect public funds and to raise awareness in relation to any potential threats that may affect the financial and/or reputational position of the organisation. The suite of counter fraud policies reinforces the Council's commitment to the prevention and detection of fraudulent activity. They also support the Local Code of Corporate Governance in promoting values for the Council and demonstrating the values of good governance through upholding high standards of conduct and behaviour.

THE ANTI FRAUD, BRIBERY AND CORRUPTION STATEMENT & STRATEGY

2. The general aim of all the Council's counter fraud policies is to reduce the occurrence and impact of fraud, corruption and bribery on the organisation and provide an effective channel of communication for anyone who has concerns or suspicions of malpractice.
3. The Council has an Anti-Fraud, Bribery and Corruption Statement and Strategy. The document draws on particularly the guidance from the CIPFA Code of Practice – Managing the Risk of Fraud and Corruption (2014) and the four key themes of the Local Government Fraud Strategy – Fighting Fraud & Corruption Locally (2020). It was last revised in November 2020
4. The themes comprise the following:
 - Acknowledge the responsibility of the governing body for countering fraud and corruption;
 - Identify the fraud and corruption risks;
 - Develop an appropriate counter fraud and corruption strategy;
 - Provide resources to implement the strategy;
 - Take action in response to fraud and corruption.

FRAUD RESPONSE PLAN

5. The Statement & Strategy is supported by the council's Fraud Response Plan. Like the Statement and Strategy, the plan was last updated in November 2020. This document has been revised to reflect the Council's current arrangements when a fraud is reported and sets out the responsibilities for those involved.

TRAINING AND AWARENESS

6. Once the documents have been approved by the Committee, it is the intention to raise awareness of the revised policies by the completion of e-learning by officers.

IMPLICATIONS	
Finance	This report and contents of the attached appendices contribute to the protection of Council assets and public funds. There are no financial implications arising directly from this report.
Legal	This report and contents of the attached appendices are in line with prevailing legislation and current practice.
Community Safety	None arising from this report.
Human Rights and Equalities	This report and contents of the attached appendices are in line with prevailing legislation and current practice.
Sustainability and Environmental Impact	None arising from this report.
Health & Safety and Risk Management	This report and the contents of the attached appendices contribute to management of the Councils fraud risks.

LEAD AUTHOR	CONTACT DETAILS	DATE
Ian Curtis	ian.curtis@fylde.gov.uk and 01253 658506	9 May 2022

BACKGROUND PAPERS		
Name of document	Date	Where available for inspection
Local Government Fraud Strategy – Fighting Fraud & Corruption Locally.	2020	www.cipfa.org/services/cipfa-solutions/fraud-and-corruption/fighting-fraud-and-corruption-locally
CIPFA Code of Practice – Managing the Risk of Fraud and Corruption	2014	www.cipfa.org/policy-and-guidance/reports/code-of-practice-on-managing-the-risk-of-fraud-and-corruption

Attached documents

Appendix 1 – Anti-Fraud, Bribery & Corruption Strategy 2022

Appendix 2 – Fraud Response Plan 2022



Anti-Fraud, Bribery & Corruption Policy Statement & Strategy 2022

ANTI FRAUD, BRIBERY AND CORRUPTION POLICY STATEMENT

The Council is committed to adopting a zero-tolerance approach to fraud, bribery and corruption from both internal and external sources. It is committed to acting professionally, fairly and with integrity and to implementing and enforcing effective systems to counter fraud, bribery and corruption. The Council will promote an environment that actively encourages the highest principles of honesty and integrity.

The overall objective is to limit the Council's exposure to fraud and corruption, and to minimise financial loss and the potential adverse effects on its reputation in the event of this occurrence by:

- creating a counter fraud culture;
- understanding the fraud risks facing the Council;
- implementing measures to deter, prevent and detect fraud;
- promptly and professionally investigating alleged or detected fraud; and
- imposing appropriate sanctions and redress where fraud or corruption are proven.

All Members and employees of the Council should ensure the highest standards of stewardship of public funds. The detection, prevention and reporting of fraud, bribery and corruption is the responsibility of all Members, employees (including casuals, temporary and agency staff), partners, and contractors of the Council. The Council aims to fight fraud and corruption by encouraging prevention whilst also promoting detection.

It is important to note that fraud may be committed both from within the Council and externally. Fraud may be complex or simple; opportunistic, pre-planned or continuous. Unlike fraud, bribery and corruption usually require the involvement of a Council Member or employee.

		Section	Governance	Ref. Number	FP1
Authorised By	Tracy Manning	Job title	Deputy Chief Executive	Issue Date	May 2022
Author	Ian Curtis	Job title	Head of Governance	Revision No	2

ANTI FRAUD, BRIBERY AND CORRUPTION POLICY STRATEGY

1. Introduction

- 1.1 Fylde Council is committed to promoting a strong ethical and counter fraud culture. This anti-fraud, bribery and corruption strategy is the mechanism for achieving this commitment and in particular, aims to reduce losses to fraud and corruption in all areas of the Council to an absolute minimum.
- 1.2 The Council has a wide range of policies and procedures which aim to prevent fraud, bribery and corruption and these include:
- Contracts Procedure Rules,
 - Financial Regulations
 - Local Code of Corporate Governance;
 - Codes of Conduct for Employees
 - Codes of conduct for Elected Members;
 - Disciplinary Policy;
 - Whistleblowing Policy;
 - Anti-Money Laundering Policy;
 - Council Tax Reduction Scheme – Sanctions Policy;
 - Information Governance Policies;
- 1.3 This strategy adheres to the CIPFA Code of Practice – Managing the Risk of Fraud and Corruption (2014) and the four key themes of the Local Government Fraud Strategy – Fighting Fraud & Corruption Locally. (2020).

CIPFA – Managing the Risk of Fraud & Corruption	Fighting Fraud & Corruption Locally
Acknowledge the responsibility of the governing body for countering fraud and corruption	Govern Having robust arrangements and executive support to ensure anti-fraud, bribery and corruption measures are embedded throughout the organisation. Having a holistic approach to tackling fraud is part of good governance
Identify the fraud and corruption risks	Acknowledge Acknowledging and understanding fraud risks and committing support and resource to tackling fraud in order to maintain a robust anti-fraud response.

		Section	Governance	Ref. Number	FP1
Authorised By	Tracy Manning	Job title	Deputy Chief Executive	Issue Date	May 2022
Author	Ian Curtis	Job title	Head of Governance	Revision No	2

Develop an appropriate counter fraud and corruption strategy	Prevent Preventing and detecting more fraud by making better use of information and technology, enhancing fraud controls and processes and developing a more effective anti-fraud culture.
Provide resources to implement the strategy	
Take action in response to fraud and corruption.	Pursue Punishing fraudsters and recovering losses by prioritising the use of civil sanctions, developing capability and capacity to investigate fraudsters and developing a more collaborative and supportive local enforcement response.

2. Definitions of Fraud, Bribery and Corruption

2.1 The Chartered Institute of Public Finance and Accountancy (CIPFA) defines fraud as

"the intentional distortion of financial statements or other records by persons internal or external to the organisation which is carried out to conceal the misappropriation of assets or otherwise for gain."

Put simply, fraud is an act of deception intended for personal gain or to cause a loss to another party. The Fraud Act 2006 defines fraud in three classes:

- False representation
- Failure to disclose information where there is a legal duty to do so
- Abuse of position

2.2 CIPFA defines corruption as the:

"the offering, giving, soliciting or acceptance of an inducement or reward, which may influence the action of any person".

2.3 The Theft Act 1968 defines theft as:

"a person shall be guilty of theft if he dishonestly appropriates property belonging to another with the intention of permanently depriving the other of it."

2.4 CIPFA defines bribery as

"an inducement or reward offered, promised or provided to gain personal, commercial, regulatory or contractual advantage".

The Bribery Act 2010 contains the following four categories of offence and, whilst it was updated in May 2013, these categories of offence remained unchanged:

		Section	Governance	Ref. Number	FP1
Authorised By	Tracy Manning	Job title	Deputy Chief Executive	Issue Date	May 2022
Author	Ian Curtis	Job title	Head of Governance	Revision No	2

- offering, promising or giving a bribe to another person;
- requesting, agreeing to receive or accepting a bribe from another person;
- bribing a foreign public official; and
- a corporate offence of failing to prevent bribery.

3 Scope

- 3.1 The Council aims to foster honesty and integrity, and to uphold the Seven Principles of Public Life developed by the Nolan Committee on Standards in Public Life and set out at Appendix 1 below. High ethical standards are an integral part of good governance. In promoting good governance, the Council aims to create a counter fraud culture to help deter people from committing fraud and to encourage those who suspect fraudulent activity to report it.
- 3.2 This Statement / Strategy applies to all elected Members and all Officers (full time, part time, temporary, casual and volunteers) who work for the Council. The term “officer” includes all types of employees of the Council.
- 3.3 The Council also expects that individuals and organisations (e.g. partners, suppliers, contractors, service providers and voluntary organisations) that it deals with will act with integrity and without thought or actions involving fraud, bribery and corruption. Where relevant, the Council will include appropriate clauses in its contracts about the consequences of fraud, bribery and corruption and evidence of such acts are most likely to lead to a termination of the particular contract and may lead to prosecution.
- 3.4 The Anti-Fraud, Bribery and Corruption Policy Statement and Strategy are commended to the Council’s partner organisations with the expectation that they will be applied either wholly or as the basis for their own local version

4 Creating and maintaining a strong culture

- 4.1 Responsibility for an anti-fraud culture is the joint duty of all those involved in giving political direction, determining policy and management. The strategy should be directed against fraud and corruption whether it is attempted against the Council from outside or from within its own workforce.
- 4.2 The Council expects that Members and Officers at all levels will lead by example in ensuring adherence to legal requirements, contracts procedure rules, financial procedure rules, codes of conduct and best (professional) practice.
- 4.3 As part of this culture, the Council will provide clear routes by which concerns can be raised by both Members and Officers, and those outside who are providing, using or paying for public services.
- 4.4 Senior Management is expected to deal swiftly and firmly with those who defraud the Council or who are corrupt. The Council, including Members and senior management will be robust in dealing with financial malpractice.

		Section	Governance	Ref. Number	FP1
Authorised By	Tracy Manning	Job title	Deputy Chief Executive	Issue Date	May 2022
Author	Ian Curtis	Job title	Head of Governance	Revision No	2

- 4.5 The Audit & Standards Committee has a monitoring role in ensuring- that a strong anti-fraud culture is maintained and that adequate arrangements are established and operating to deal with situations of suspected or actual wrongdoing, fraud and corruption.

5 Deterrence

- 5.1 There are a number of ways to deter potential fraudsters from committing or attempting fraudulent or corrupt acts, whether they are inside and/or outside of the Council, and these include: -
- Publicising the fact that the Council is firmly set against fraud and corruption and states this at every appropriate opportunity – e.g., publicising the Whistleblowing arrangements, clause in contracts, statements on benefits claim forms, publications etc.;
 - Acting robustly and decisively when fraud and corruption are suspected and proven – e.g., the termination of contracts, dismissal, prosecution etc.;
 - Taking action to effect the maximum recoveries for the Council – e.g. through agreement, Court action, penalties, insurance etc.;
 - The Council's Head of Policy & External Relations will optimise the publicity opportunities associated with anti-fraud and corruption activity within the authority. Where appropriate, the results of any action taken, including prosecutions, will be reported in the media.
 - Having sound internal control systems that still allow for innovation, but at the same time do not provide the opportunity for fraud and corruption.
 - A fraud reporting mechanism on the Council's website.

6 Prevention / Managing the Risk of Fraud and Corruption

- 6.1 The following internal control measures are in place to assist with the prevention of fraud:
- The Council's Monitoring Officer (Deputy Chief Executive) has a duty to report to the Council where it appears that any proposal, decision or omission by the Council, a committee or officer has given rise to, (or is likely to give rise to), a contravention of any enactment, rule of law or statutory code of practice.
 - The Section 151 officer (Chief Financial Officer) has a statutory responsibility under the Local Government Act 1972 to ensure the proper administration of the Council's financial affairs. The Accounts and Audit Regulations 2015 require the Council to maintain a sound system of internal control and the Council has delegated this responsibility to the Section 151 Officer.
 - Senior managers ensure that internal controls, including those in a computerised environment are adequately designed and effectively operated.
 - The Internal Audit Service reviews the adequacy of the Council's internal controls including those to prevent fraud. Internal Audit and the Council's Risk Management Strategy endeavour to provide appropriate advice to managers to ensure they are fully aware of the

		Section	Governance	Ref. Number	FP1
Authorised By	Tracy Manning	Job title	Deputy Chief Executive	Issue Date	May 2022
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need to give sufficient emphasis to the preventative aspects of fraud and corruption work. The Internal Audit Plan includes a programme of work based on key risk areas. This programme of work is not restricted solely to the investigation of detected fraud but inherently includes anti-fraud assurance work intended to deter and prevent fraud.

- Managers across the Council have an important role to play in the prevention of fraud and corruption. Managers need to understand the importance of soundly designed systems which meet key control objectives and minimise the opportunities for fraud and corruption. They are responsible for assessing the potential for fraud and corruption within their own Service's activities and for implementing appropriate strategies to reduce this risk. Anti-fraud assurance work will represent an area of ongoing development and represents a key priority for the Anti-Fraud, Bribery & Corruption Strategy.

7 Combining with Others to Prevent and Fight Fraud

- 7.1 The Council is committed to exchanging information with other local and national agencies in order to identify and prevent fraud using data matching techniques. Such activity is carried out in full compliance with the data protection legislation and the Code of Practice for National Fraud Initiative Data Matching Exercises and includes providing information to other agencies for data matching purposes. Any employee found to be perpetrating fraud on another local or national agency is liable to face disciplinary action where this has implications for the Council's trust and confidence in the employee. In certain cases, disciplinary action could lead to dismissal.
- 7.2 With the increase in recent years of frauds perpetrated against a variety of public bodies, which usually involve fraudsters having multiple identities and addresses, the necessity for liaison with other organisations has become paramount. Some of these include:
- Police Forces and Fraud Squads
 - Other Local Authorities
 - External Auditor
 - Universities and Colleges
 - Department for Works and Pensions
 - National Anti-Fraud Network

8 Detection and Reporting Concerns

		Section	Governance	Ref. Number	FP1
Authorised By	Tracy Manning	Job title	Deputy Chief Executive	Issue Date	May 2022
Author	Ian Curtis	Job title	Head of Governance	Revision No	2

- 8.1 It is the responsibility of directors and their managers to prevent and detect fraud and corruption.
- 8.2 However, despite the best efforts of managers and auditors, many frauds are discovered by chance or "tip-off". It is often the alertness of employees and the public that enables detection to occur.
- 8.3 Reporting suspected irregularities is essential to the Anti-Fraud, Bribery and Corruption Strategy and ensures:-
- consistent treatment of information regarding fraud and corruption;
 - proper investigation by an independent and experienced audit team;
 - the proper implementation of a fraud response investigation plan;
 - the optimum protection of the Council's interests.
- 8.4 The Fraud Response Plan provides a clear path for raising concerns and facilitating "tip-offs", and the fraud response arrangements to enable such information or allegations to be properly dealt with. The Council's Whistleblowing Policy also gives advice on how to raise a concern and the safeguards and support that are available to those who raise concerns.

9. Investigations

- 9.1 Senior management are responsible for following up any allegation of fraud or corruption that they receive and are required to inform the council's internal auditors of all suspected irregularities. Internal Audit will initiate the investigation and may seek the assistance of a HR Advisor or the Corporate Fraud Team. This is to ensure that the matter is dealt with promptly and confidentially and that:
- all evidence that has been received is recorded;
 - evidence is sound and adequately supported;
 - all the evidence that has been collected is secured, including electronic evidence;
 - where appropriate, other agencies are contacted e.g. Police;
 - when appropriate, to arrange for the notification of the Council's insurers;
 - a report to senior management is issued and where appropriate;
 - recommend that management take disciplinary action in accordance with the Council's Disciplinary Procedures and make any necessary revisions to systems and procedures to ensure that similar frauds do not recur.
- 9.3 Depending on the nature and anticipated extent of the allegations, Internal Audit will normally work closely with management, HR, Legal, Corporate Fraud etc., and other agencies, such as the

		Section	Governance	Ref. Number	FP1
Authorised By	Tracy Manning	Job title	Deputy Chief Executive	Issue Date	May 2022
Author	Ian Curtis	Job title	Head of Governance	Revision No	2

Police. This is to ensure that all allegations and evidence are properly investigated and reported upon, and where appropriate, maximum recoveries are made for the Council.

- 9.4 The Council's disciplinary procedures will be used where the outcome of the audit investigation indicates improper behaviour. "Reasonable belief" is sufficient ground for dismissal, rather than absolute proof as in a court of law.
- 9.5 Where a fraud has occurred, management will need to take action to ensure that any control weaknesses which provided the opportunity for this are addressed. Where appropriate, control weaknesses will be identified by the investigation. Any lessons learnt will be disseminated to all relevant sections.

10. Sanctions and Redress

- 10.1 Where financial impropriety is discovered, whether perpetrated by Officers, Members or organisations (e.g. suppliers, contractors, and service providers) the Council deal with, the presumption is that the Police will be called in. The Crown Prosecution Service determines whether a prosecution will be pursued. Referral to the Police is a matter for the monitoring officer, the Head of Governance and Internal Audit.
- 10.2 Referral to the Police will not inhibit action under the Council's Disciplinary Procedures. Serious cases of fraud or corruption would represent gross misconduct and consequently the officer may be liable to dismissal.
- 10.3 The Chief Executive, the Monitoring Officer and the Head of Governance will advise on the course of action to be taken in relation to Members.
- 10.4 Suspected financial impropriety by any organisation the Council deals with will be the subject of an investigation. If proven, this could result, for example, in the termination of an individual contract and may result in prosecution.
- 10.5 In proven cases of financial loss, the Council will seek to recover all such losses through whatever means it considers appropriate. If the fraudster is an employee, the loss may be recovered from any monies due to the individual on termination of employment. In the event of the fraudster being a member of the Lancashire County Pension Fund, the Council may be able to recover the loss from the employee's accrued benefits in the Scheme.
- 10.6 In the event of the Council receiving a request for a reference in respect of an employee who has been dismissed as a result of a fraud/irregularity investigation, Human Resources should be contacted for guidance regarding the wording of any reference provided.

11. Responsibilities

		Section	Governance	Ref. Number	FP1
Authorised By	Tracy Manning	Job title	Deputy Chief Executive	Issue Date	May 2022
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FF&CL	CIPFA Managing the Risk of Fraud Principles	Responsibility
GOVERN	<i>Acknowledge the responsibility of the governing body for countering fraud and corruption</i>	
	The organisation's leaders acknowledge the threats of fraud and corruption, the harm they can cause and the potential for savings from managing the risk.	Management Team / Elected Members
	The organisation's leaders acknowledge the importance of a culture that is resilient to the threats of fraud and corruption and aligns to the standards of good governance.	Management Team / Elected Members
ACKNOWLEDGE	<i>Identify Risks</i>	
	Fraud risks are routinely considered as part of the organisation's strategic risk management arrangements	Management Team
	The organisation identifies the risks of corruption in its governance framework	Deputy Chief Executive
	The organisation uses estimates of fraud loss, and where appropriate measurement exercises, to quantify the harm that different fraud risks	Corporate Fraud Team
PREVENT	<i>Develop an appropriate counter fraud and corruption strategy</i>	
	The governing body formally adopts a counter fraud and corruption strategy to address the identified risks and align with the organisation's acknowledged responsibilities and goals	Management Team / Audit & Standards Committee
	The strategy includes consideration of all the pro-active and reactive components of a good practice response to fraud risk management	Deputy Chief Executive / Internal Audit

		Section	Governance	Ref. Number	FP1
Authorised By	Tracy Manning	Job title	Deputy Chief Executive	Issue Date	May 2022
Author	Ian Curtis	Job title	Head of Governance	Revision No	2

	The strategy includes clear identification of responsibility and accountability for delivery of the strategy and for providing oversight.	Deputy Chief Executive / Internal Audit
	<i>Provide Resources</i>	
	An annual assessment of whether the level of resource invested to counter fraud and corruption is proportionate for the level of risk;	Management Team / Corporate Fraud Team
	The organisation utilises counter fraud staff with appropriate skills and professional accreditation	Corporate Fraud Team
	The organisation grants counter fraud staff unhindered access to its employees, information and other resources as required	Corporate Fraud Team / Internal Audit
	The organisation has protocols in place to facilitate data and intelligence sharing to support counter fraud activity	Deputy Chief Executive / Corporate Fraud Team
PURSUE	<i>Take action in response to fraud and corruption</i>	
	The organisation has put in place a policy framework which supports the implementation of the counter fraud strategy	Deputy Chief Executive / Head of Internal Audit
	Plans and operations are aligned to the strategy and contribute to the achievement of the organisation's overall goal of improving resilience to fraud and corruption	Management Team / Corporate Fraud Team
	There is a report to the governing body at least annually on performance against the counter fraud strategy from the lead person(s) designated in the strategy. Conclusions are featured in the annual governance report	Corporate Fraud Team / Audit & Standards Committee / Deputy Chief Executive
	The governing body receives a report at least annually on the impact and cost effectiveness of its counter fraud activities	Audit & Standards Committee / Corporate Fraud Team

		Section	Governance	Ref. Number	FP1
Authorised By	Tracy Manning	Job title	Deputy Chief Executive	Issue Date	May 2022
Author	Ian Curtis	Job title	Head of Governance	Revision No	2

The Seven Principles of Public Life - the Nolan Committee on Standards in Public Life

Selflessness

Members should serve only the public interest and should never improperly confer an advantage or disadvantage on any person.

Honesty and Integrity

Members should not place themselves in situations where their honesty and integrity may be questioned, should not behave improperly and should on all occasions avoid the appearance of such behaviour.

Objectivity

Members should make decisions on merit, including when making appointments, awarding contracts, or recommending individuals for rewards or benefits.

Accountability

Members should be accountable to the public for their actions and the manner in which they carry out their responsibilities and should co-operate fully and honestly with any scrutiny appropriate to their particular office.

Openness

Members should be as open as possible about their actions and those of their Authority and should be prepared to give reasons for those actions.

Personal Judgement

Members may take account of the views of others, including their political groups, but should reach their own conclusions on the issues before them and act in accordance with those conclusions.

Respect for others

Members should promote equality by not discriminating unlawfully against any person and by treating people with respect, regardless of their race, age, religion, gender, sexual orientation or disability. They should respect the impartiality and integrity of the Authority's statutory Officers and its other employees.

Duty to uphold the law

Members should uphold the law and on all occasions act in accordance with the trust that the public is entitled to place in them.

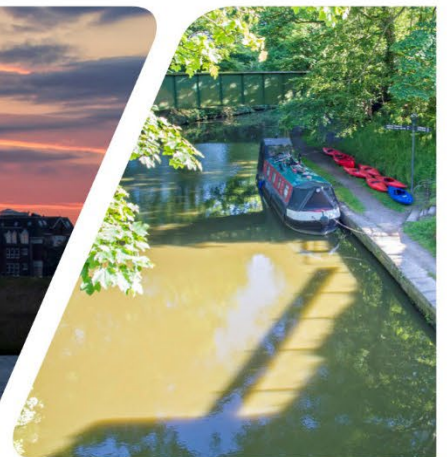
Stewardship

Members should do whatever they are able to do to ensure that their authorities use their resources prudently and in accordance with the law.

Leadership

Members should promote and support these principles by leadership and by example and should act in a way that secures or preserves public confidence.

		Section	Governance	Ref. Number	FP1
Authorised By	Tracy Manning	Job title	Deputy Chief Executive	Issue Date	May 2022
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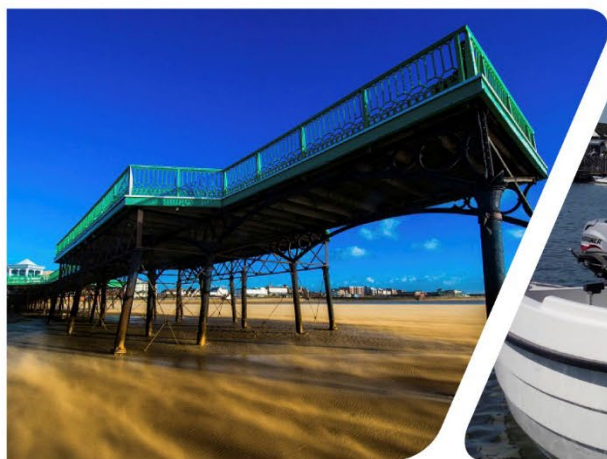
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FRAUD RESPONSE PLAN 2022

1. Introduction

- 1.1. The Council's Anti-Fraud, Bribery and Corruption Policy and Strategy makes it clear that the Council is committed to adopting a zero-tolerance approach to fraud, bribery and corruption from both internal and external sources. Where fraud, bribery or corruption is suspected the Council will deal with the allegations seriously in accordance with Council procedures.
- 1.2 This Fraud Response Plan provides guidance to Councillors and staff on the procedures that should be followed where a fraud is suspected or discovered. It includes reporting requirements, responsibilities for actions and how allegations will be investigated. It should be read in conjunction with the Council's Anti -Fraud, Bribery and Corruption Policy and Strategy, the Anti Money Laundering Policy and the Whistleblowing Policy.
- 1.3 It is important to ensure that a structured and consistent approach is implemented by the Council for the investigation of any cases of fraud, bribery and corruption. This Fraud Response Plan sets out the Council's approach to ensure:
- Councillors and staff are aware of how to report any allegations of fraud, bribery or corruption;
 - there is a clear understanding of who will lead investigations and appropriate staff are informed and involved;
 - Information about the investigation is retained by officers involved in the case. in accordance with the Council's information management and retention policies;
 - further losses of funds or assets where fraud may have occurred are prevented and the recovery of losses is maximised;
 - evidence is gathered to support an allegation and inform further action;
 - evidence necessary for possible disciplinary and criminal action is established and secured;
 - any adverse effects or publicity on the business of the Council or any other partner organisations involved are minimised;
 - a review is undertaken of the reasons for the incident and action taken to improve control, strengthen procedures and prevent recurrence.
- 1.4 Under no circumstances should staff feel that they must tolerate the abuse of systems employed at the Council by other staff members or outside persons in ways that may be classed as potentially fraudulent behaviour. All staff should be assured that any information divulged in relation to such activity will remain strictly confidential, unless the Council is required, by law, to divulge it. However, all persons implicated by an allegation must be informed of the circumstances and relevant evidence and allowed to comment as part of the investigation.

		Section	Governance	Ref. Number	FP1
Authorised By	Tracy Manning	Job title	Deputy Chief Executive	Issue Date	May 2022
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- 1.5 The Council seeks to establish a flexible Fraud Response Plan to enable the approach to be varied in individual cases. Generally, the approach taken depends on the risk to the Council. This can be reputational as well as financial. The risk is judged individually for each case, based on the information available. Responsibility for managing allegations of fraud, bribery and corruption, is allocated by the council's Financial Regulations. In practice investigations will usually be conducted in conjunction with Human Resources and in more serious cases, may be referred directly to the Police.
- 1.6 A flowchart at Appendix A illustrates the fraud response process.

2. Reporting Suspicions

- 2.1 The procedures detailed below should be followed for all suspected cases of fraud, bribery and corruption involving Council staff, its partners and suppliers. You may also come across instances where third parties are attempting to defraud or scam the Council, for example submitting bogus invoices or changing bank details of suppliers. Any concerns such as these should be reported to the Head of Governance, who will immediately refer the matter to the council's internal auditors. They will investigate further and arrange for alerts to be circulated to relevant areas of the Council.
- 2.2 Examples of fraud, bribery and corruption include, but are not limited to, theft, financial irregularities, and misuse of Council property, vehicles or equipment, misuse of Council systems, conflicts of interest and supplier kickbacks.

Action by employees

- 2.3 You should raise your concerns or suspicions with your line manager in the first instance. If you feel unable to approach your line manager, you should report any concerns or suspicions of financial irregularity to the Head of Governance who will immediately refer the matter to the council's internal auditors. Alternatively, you may choose to report your concerns or suspicions anonymously via the Council's whistleblowing reporting procedures outlined in the whistleblowing policy. Whilst total anonymity cannot be guaranteed, every effort will be made not to reveal your name. However, if criminal activity is found and the case is forwarded to the police, then your identity may be needed at a later date.
- 2.4 If you suspect a colleague is committing fraud, **under no circumstances** confront him or her with accusations of wrongdoing. This may allow the destruction of evidence and in extreme cases may expose you to physical danger. If your suspicions are mistaken, then workplace relationships may be poisoned irretrievably. The official investigators are best placed to interview suspects.
- 2.5 Once you have reported the incident, you may be contacted further by the council's internal auditors as part of the ongoing investigation. You should provide them with as much information as possible to enable the investigation to be effectively progressed.

		Section	Governance	Ref. Number	FP1
Authorised By	Tracy Manning	Job title	Deputy Chief Executive	Issue Date	May 2022
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Action by managers

- 2.6 If you have reason to suspect fraud, bribery or corruption in your work area, or a concern has been reported to you by a member of your staff, you should do the following:
- listen to the concerns of your staff and treat every report seriously and sensitively. Reassure staff that their concerns will be taken seriously and passed on to the appropriate officer;
 - obtain as much information as possible from the member of staff, including any notes or evidence to support the allegation. Do not interfere with this evidence and ensure it is kept securely;
 - do not attempt to investigate the matter yourself or attempt to obtain any further evidence as this may compromise any internal audit, disciplinary or police investigation;
 - report the matter straight away to the Head of Governance, who will immediately refer the matter to the council's internal auditors.

Action by Councillors

- 2.7 If a Councillor has suspicions about fraud, bribery or corruption whether it be a fellow elected Councillor, officers of the Council or partner organisations of the Council they should report this to the Chief Executive or the Monitoring Officer at the earliest opportunity.

Action by the public

- 2.8 If a member of the public would like to raise a concern, they should follow the reporting procedure contained within the Whistleblowing Policy on the Council's website. Alternatively, fraud can also be reported using the link. <https://new.fylde.gov.uk/resident/fraud/>

3. Malicious allegations

- 3.1 All Councillors and staff should be aware that malicious or vexatious allegations will not be tolerated and may be dealt with as a disciplinary matter.

4. Investigating allegations of Fraud

Investigations

- 4.1 In the event of any serious weakness, such as a significant and immediate threat to the Council's financial position, significant fraud, bribery or major accounting breakdown, the Head of Governance will, in addition to notifying the council's internal auditors, also notify the Section 151 Officer.

		Section	Governance	Ref. Number	FP1
Authorised By	Tracy Manning	Job title	Deputy Chief Executive	Issue Date	May 2022
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- 4.2 The council's internal auditors will initiate the investigation and may seek assistance of the Human Resources or Corporate Fraud team. Once the investigation has been completed a report will be prepared for the Chief Executive's office as well as the Section 151 Officer. In more serious cases it may be necessary to prepare an interim report if immediate control measures are required.
- 4.3 The Section 151 Officer will usually keep the Chief Executive informed. If it appears that a criminal offence has occurred, the council's internal auditors, the Section 151 Officer and the Monitoring Officer, shall consider whether the matter should be referred to the Police.
- 4.4 Depending on the seriousness of the offence, the Section 151 Officer may inform the Chair of Audit and Standards Committee.
- 4.5 In cases where the fraud has included a personal data breach, the council's internal auditors must inform the council's Data Protection Officer, who will consider whether the Council has a duty to report the incident to the Information Commissioners Office and to any individual whose personal information has been the subject of the breach and, if so, will make any appropriate report. The investigation team should be aware of the need to ensure that other statutory requirements are adhered to in the process of obtaining evidence, particularly the need to obtain in advance a RIPA (Regulation of Investigatory Powers Act) authorisation, should it be necessary to obtain evidence through the process of surveillance.
- 4.6 Staff should note that failure to cooperate fully with an investigation may itself constitute grounds for disciplinary action.
- 4.7 In some instances, the investigations may require technical expertise that the investigation team does not possess. In these circumstances, the council's internal auditors will discuss with the Section 151 Officer whether external specialists should be involved.

Interviewing

- 4.8 During the course of the investigation, it may be necessary to interview employees. In these cases, the employee should be informed of the purpose of the meeting and he/she may not refuse the request to attend and answer questions without good reason. A refusal to answer questions about his /her actions as an employee without good reason will be considered gross misconduct.
- 4.9 All interviews of employees will be undertaken by two people from the investigation team. Normally, one person will ask the questions and the other will take contemporaneous notes. Once the notes have been typed up, a copy will be provided to the employee who will be invited to read them, make and initial any amendments and then sign the interview notes, accepting them as a correct record. It is good practice for the interviewer to counter-initial any amendments to confirm their acceptance. Should there be any disagreement, the interviewer will need to consider the materiality of the amendment and if significant, this should be brought out in the ensuing report.

		Section	Governance	Ref. Number	FP1
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- 4.10 Where the purpose of the interview is merely to obtain information (fact-finding) and the employee is not the suspect in the offence, he /she is not entitled to be accompanied. However, should they wish to have someone present, this will be at the discretion of the Investigation Team.
- 4.11 Where the person being interviewed is suspected of the offence, it should be made clear at the outset that the meeting is not a disciplinary hearing. If it is agreed that the person may be accompanied at the meeting, the companion must be a work colleague or Trade Union representative. This person accompanying, however, must not be connected with the matter under investigation. In addition, it is not the practice of the authority to allow solicitors or other external legal representatives to be involved in internal disciplinary matters.
- 4.13 During the course of the interview, if the individual under suspicion admits to a criminal offence or the interviewer believes that an admission of a criminal offence is imminent, the recommended practice is that the interview be suspended and the matter referred directly to the Police.
- 4.14 Official guidance does permit the continuation of an interview following admission of a criminal offence but only after issuing a formal caution. Under PACE, the interviewee would be entitled to legal representation. In deciding whether to continue, the interviewer will need to consider the seriousness of the case and the likelihood of it being referred for prosecution, bearing in mind the requirements of the Council's Anti Fraud, Bribery and Corruption policy re prosecutions. If it is considered that seeking a prosecution would not be appropriate, the interview can continue without issuing a caution.

5 Disciplinary procedure

- 5.1 If following the investigation process there is evidence to indicate that fraud, bribery or corruption has been committed, the matter will be dealt with in accordance with the Council's disciplinary procedures. If the matter has been referred to the police, the Head of Governance will consult with the police to determine whether the disciplinary process should proceed or should be delayed until the conclusion of the legal proceedings.

6 Reporting of the Investigation

- 6.1 Upon the completion of the investigation, a report will be produced and issued to the Section 151 Officer and the head of the Service concerned.

- 6.2 The report shall contain:

- a description of the incident/issues alleged including an assessment of the value of any losses;
- the people involved and the means by which the fraud was allowed to occur (highlighting any control and/or operating weaknesses within the systems)
- all possible facts relating to the alleged fraud;

		Section	Governance	Ref. Number	FP1
Authorised By	Tracy Manning	Job title	Deputy Chief Executive	Issue Date	May 2022
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- recommendations to improve/restore the controls and minimise the risk of a re-occurrence;
- a conclusion as to the way forward;
- any other relevant material.

6.3 A report on the fraud shall be presented to the Audit & Standards Committee, along with the findings of any investigations undertaken, at their next meeting following the completion of the investigation. An interim report may be presented if an Audit & Standards Committee meeting takes place during an ongoing investigation.

7. Recovery of Assets and / or Sanctions

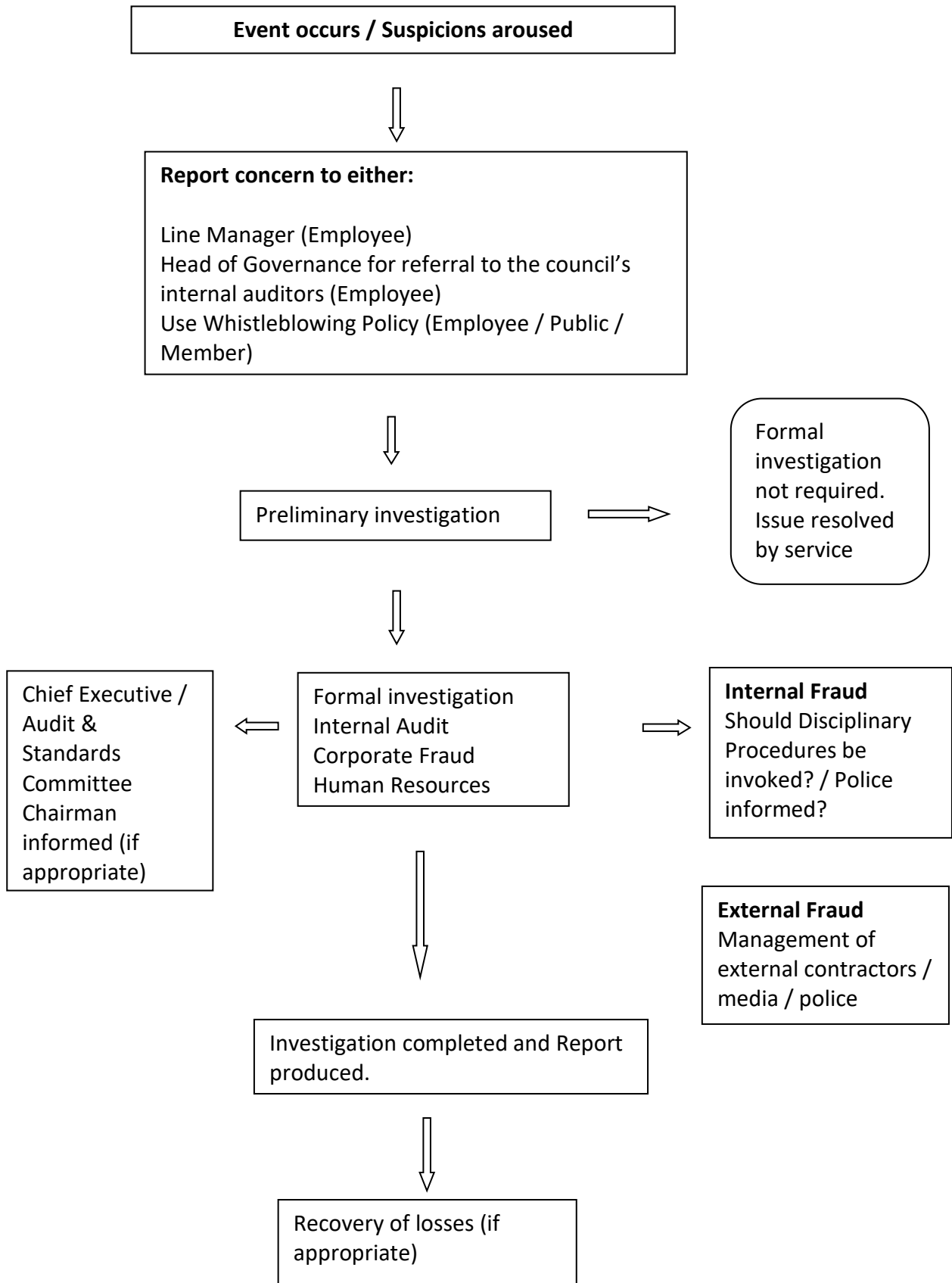
7.1 If it is determined on the basis of evidence that a fraud has taken place, unless a referral has been made earlier, the council's internal auditors will discuss the matter with the Section 151 Officer and a decision taken as to whether to refer the matter to the Police.

7.2 In accordance with the Anti Fraud, Bribery and Corruption Statement and Strategy if it is confirmed the Council has suffered financial loss, attempts will be made to recover such losses from the perpetrator.

		Section	Governance	Ref. Number	FP1
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Fraud Response Flow Chart

Appendix A



		Section	Governance	Ref. Number	FP1
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INFORMATION ITEM

REPORT OF	MEETING	DATE	ITEM NO
SHARED CORPORATE FRAUD SERVICE	AUDIT AND STANDARDS COMMITTEE	26 MAY 2022	6
CORPORATE FRAUD TEAM REPORT 2021/22			

PUBLIC ITEM

This item is for consideration in the public part of the meeting.

SUMMARY OF INFORMATION

Local Authorities have a statutory duty under section 151 of the Local Government Finance Act 1972 to make arrangements for the proper administration of their financial affairs.

As responsibility for Housing Benefit fraud investigation passed to the Department for Work and Pensions (DWP) on 1st June 2015, the Council made a decision to partner on a Corporate Fraud Team, hosted by Preston City Council and shared between Preston, Lancaster and Fylde Councils. There is a duty to have effective controls and procedures in place to prevent, detect and investigate fraud and error in Council Tax Support, Council Tax, Business Rates and other areas of fraud committed against the authority.

The Corporate Fraud, or Corporate Enquiry Team (CET) as it is also known, also works in partnership with the Housing Department (Lancaster) and other Social Housing providers to investigate tenancy fraud.

This report details performance and counter fraud activity undertaken by the CET during 2021/22 in this specialist area of work.

SOURCE OF INFORMATION

Internal

WHY IS THIS INFORMATION BEING GIVEN TO THE COMMITTEE?

No decision required. Members are recommended to note the content of this report, relating to the counter fraud activities of the Corporate Enquiry Team during financial year 2021/22.

FURTHER INFORMATION

Contact: Haley Garstang, Corporate Fraud Manager. Tel: 01772 906388 Email: h.garstang@preston.gov.uk

OBJECTIVES

The objectives of the Corporate Enquiry Team are to:

- Protect public funds
- Undertake fraud prevention measures
- Detect and stop fraud
- Increase fraud awareness
- Implement sanctions in accordance with Council prosecution policies
- Ensure that investigations comply with the regulatory environment
- Recover properties from fraudsters to enable re-housing of those identified as most in need of social housing
- Encourage a strong culture of good performance in relation to cost
- Promote the principles of fairness, equality of opportunity, social inclusion and poverty reduction through service provision
- Embrace partnership working to enable the delivery of an excellent service, whilst achieving savings based on economies of scale, reductions in duplication and financial savings to the authority

STAFFING

The Corporate Enquiry Team was established 1st June 2015 and consists of seven staff, including a Manager, one full time Investigator, one part time Investigator, one full time Compliance Officer, one full time Enforcement Officer/Investigator, one Administrative Officer and a part time Apprentice. The staff continue to be employed by Preston City Council and resources are shared between the three authorities providing Fylde with full time equivalent (FTE) staff resources of a Manager (0.2), Investigators (0.3) and a Compliance/Administrative Officer (0.4).

SHARED SERVICES

Preston City Council made a bid for corporate counter fraud funding from the Department for Communities and Local Government (DCLG) based on a shared service with Lancaster City Council and Fylde Borough Council and was initially awarded £125,750 to help fund the costs of the new service. This team replaced the former benefit fraud team that previously operated between the three councils.

PARTNERSHIP WORKING

The Corporate Enquiry Team strives to prevent and detect as much fraud against the Council as possible, working with outside agencies such as DWP, HM Revenues and Customs, Police and Immigration where appropriate. Joint working with the Department for Work and Pensions on cases involving Council Tax Support and national benefits re-commenced on 29th April 2019 however, the Covid19 Pandemic saw DWP investigators redeployed to priority benefit processing services temporarily. As at January 2022 DWP investigation staff are gradually returning to investigation duties however, their initial area of focus is Universal Credit.

The team has an excellent working relationship with Lancashire Police, participating in Operation GENGA, a Home Office led multi-agency operation to help tackle serious and organised crime. This demonstrates our commitment to tackle fraud on a larger scale and other related crimes in partnership with external agencies.

The Corporate Enquiry Team are active members of NAFN (National Anti-Fraud Network). NAFN's key services include:

- Acquiring data legally, efficiently and effectively from a wide range of information providers;
- Acting as the hub for the collection, collation and circulation of intelligence alerts;
- Providing best practice examples of processes, forms and procedures.

The team are also members of the Chartered Institute of Public Finance and Accountancy (CIPFA) Counter Fraud Centre in order to share best practice and receive information on counter fraud initiatives. The team works closely with Lancashire and Greater Manchester Local Authorities and meets regularly with other counter fraud practitioners to discuss common counter fraud issues and best practice.

PERFORMANCE

From 1st April 2021 to 31st March 2022 the Corporate Enquiry Team found overpayments totalling £53,345.26.

The team has introduced an additional methodology to clarify counter fraud performance. When a claim for an allowance, discount, reduction, benefit or exemption ends or reduces as a result of an intervention by the CET, the value of the intervention is not just the amount of any overpayment that has occurred. It is recognised that there is also a “future” saving, resulting from preventing further incorrect payments being made.

In these cases, the weekly amount of reduced entitlement that is applied following a counter fraud intervention is multiplied by 52. It is reasonable to believe that the award would have continued for an average of one year, had no intervention taken place. This was agreed as an appropriate performance measure by the Lancashire and Greater Manchester Fraud Investigators Group.

The weekly figure for Fylde Council is £879.88, providing estimated “future” savings for 2021/22 of £45,753.76. It should be noted that “future” savings can only be estimated, but it helps to demonstrate additional benefit to the Council of undertaking counter fraud work.

Performance data is detailed in Appendix A to this report.

A Management checking regime is in place, structured to monitor performance and compliance with legislation. This process includes:

- 1-2-1's with all fraud staff at least three times a year to discuss the officer's full caseload, giving advice and direction, identifying inactive cases, together with any training needs;
- all Interviews Under Caution are reviewed before prosecution is considered;
- a full management check is conducted on all sanction cases; and regular checks are undertaken of fraud officer's pocket notebooks.

Surveillance is only authorised in appropriate cases where considered necessary and proportionate, in line with the Regulation of Investigatory Powers Act (RIPA). No surveillance has been undertaken Fylde during 2021/22.

Covid19 had a significant impact on the teams operations, from February 2020 all formal action was suspended and businesses across Fylde were mandated to close for long periods of time throughout the pandemic which had an impact on the usual areas of focus for the team. The team was unable to undertake formal interviews under caution, visit members of the public (witnesses, suspects etc) or pursue criminal proceedings due to the pandemic. The team has assisted Business Rates with the administration of business rate grants. As restrictions were lifted in 2022 the team began to return to normal duties.

Covid19 saw a new area of fraud for the team to investigate with the Small Business Grant Fund and Retail, Hospitality and Leisure Grant Fund introduced on the 17th March 2020, followed by multiple other grant scheme including but not limited to; Local Lock Down Grants, Discretionary Grants and Restart Grants. Investigations in this regard are both pre and post payment.

During the unprecedented year of 2021/2022 the fraud team has assisted with Covid related work including the execution and administration of Spotlight checks hosted by the Cabinet Office, as part of the governments automated due diligence for Covid grant applications.

During the financial year of 2021/22 additional Fraud Awareness Training was delivered to staff throughout the Council this included the Revenues service along with management across Council departments and other staff members in order to maintain an ongoing programme of work to raise awareness of fraud, bribery and corruption and to create a counter fraud, bribery and corruption culture among all staff.

IMPLICATIONS

There are no direct financial implications arising from this report. However, the Corporate Enquiry Team has generated savings for the Council from their corporate fraud work and delivers value for money in this area.

IMPACT STATEMENT

The Benefits Service has a major impact upon the wellbeing of the more vulnerable members of the community. The Council is committed to protecting the gateway to both Benefits and Council Tax Support, with a service that is accessible to everyone in the community; ensuring that customers receive all the allowances to which they are entitled. As an essential part of this service provision, the prevention and detection of fraud remains high on the Council's agenda.

Partnership working with the Police and other external agencies demonstrates our commitment to tackle fraud on a larger scale and demonstrates good governance.

REASONS FOR DECISION

This report is produced for perusal and comment by Members. It provides performance evidence for the Corporate Enquiry Team, in conducting counter fraud activity.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

Not applicable

REASON FOR INCLUSION IN PART B, IF APPROPRIATE

Not applicable

Contact for further information:

Haley Garstang Corporate Fraud Manager	Tel. 01772 906388	Customer Services Directorate
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APPENDIX 1

Fylde Counter Fraud Activity Performance 2021/22

	Year	Target	Achieved
Overpayments	2021/22	£45,000	£53,345.26

Financial Source	Overpayments	Weekly Savings (estimated "future" savings)
Council Tax Reduction Scheme	£1,071.18	£63.86
Housing Benefit	£2,118.26	£243.82
Council Tax	£25,598.32	£572.20
Covid Business Grant	£23,477.00	£0.00
Creditors	£1,080.50	£0.00
Totals	£53,345.26	£879.88 (X52 = £45,753.76)



**BUSINESS PLAN
2022/23**

**CORPORATE ENQUIRY TEAM
SHARED SERVICE**

**LANCASTER CITY COUNCIL,
PRESTON CITY COUNCIL & FYLDE
BOROUGH COUNCIL**

(This Plan will be refreshed annually)

INDEX

	Page
Vision Statement	2
Statement of Purpose	2
Service Overview	2
Customers & Stakeholders	3
Contribution to Council Priorities	3
Key Service Objectives	4
Other Major Responsibilities	4
Key Projects	6
Financial appraisal	6
Equality Impact Assessment	7
Performance	7
Future Development	8
Three year Horizon	9
Annex A (Equality Impact Assessment)	10

VISION STATEMENT:

To use available resources to enforce a zero-tolerance approach to fraud against the Councils and their partner organisations.

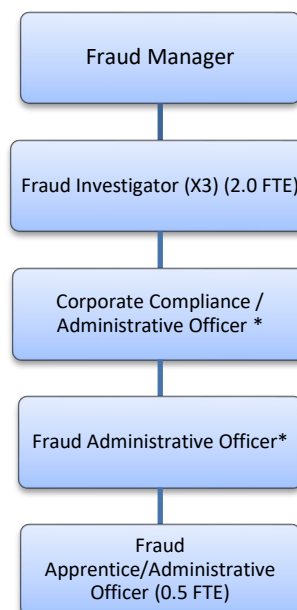
STATEMENT OF PURPOSE:

The Corporate Enquiry Team will:

- Prevent, detect and deter fraud against the respective Council and its partners;
- Investigate appropriate allegations of fraud to a criminal prosecution standard;
- Work with the Police and other agencies to protect the public purse;
- Act as single point of contact for data enquiries from the Police, the Department for Work and Pensions and other law enforcement agencies.

SERVICE OVERVIEW:

The shared Corporate Enquiry Team was created on 1 June 2015 and operates over three sites on behalf of Fylde, Lancaster and Preston Councils. In practice, it currently sits as part of the Customer Services Directorate within Preston City Council and the structure of the team is as follows:



* One post of the two Admin officer posts covers DWP liaison for both Lancaster & Preston and is therefore funded from the Revenues/Benefits Shared Service budget.

The initial years of this partnership arrangement saw a period of development and enhancement in the field of corporate anti-fraud activity. The Corporate Enquiry Team has focussed its attention on anti-fraud and error across the three authorities and work involves prevention, detection and investigative work.

Local authorities have a duty to safeguard public funds and to ensure that any public money is used appropriately. All three Councils have a zero-tolerance approach to fraud.

Fraud is often an opportunistic crime, committed by those who perceive the likelihood of being caught and punished as minimal. The Corporate Enquiry Team will use all legal powers available to work with our partners to reduce both the risk of fraud and the losses caused by it. This will be done by taking firm action against offenders and publicising positive outcomes to create a deterrent effect.

This Business Plan is produced to document the work of the Corporate Enquiry Team and to outline the responsibilities and key objectives for the team in coming years. It provides financial and performance information and provides a risk analysis of possible events that may adversely affect the service in the future.

CUSTOMERS & STAKEHOLDERS:

We continue to develop excellent working relationships with our customers and stakeholders, which include:

- All residents of the three districts;
- The business community;
- Benefit/Council Tax Reduction Scheme customers;
- Elected representatives.
- Other Council services;
- Department for Work and Pensions;
- Pensions Service;
- Valuation Office Agency;
- Registered Social Landlords;
- Private Landlords/Agents;
- HM Revenues and Customs;
- UK Border Agency;
- Cabinet Office;
- HM Courts and Tribunals Service;
- The Home Office;
- The National Crime Agency
- Advice Agencies – CAB & Welfare Rights Service;
- Ministry of Housing, Communities and Local Government (MHCLG);
- Enforcement Agents;
- Other Local Authorities;
- Police.

CONTRIBUTION TO COUNCIL PRIORITIES:

This Business Plan is shaped by corporate priorities and we continue to contribute towards these priorities in our day to day work; by achieving our key service objectives. Our processes alongside new systems will support the revised ways of partnership working and help ensure that Council priorities can be achieved.

Local Authorities have a duty to protect the public purse. The Government's austerity programme has led to a substantial reduction in funding and this means that we must strive to do more for less. It is vital that we ensure our limited funds are directed towards the provision of essential services and that we minimise our losses to fraud.

The Corporate Enquiry Team proactively work with all services within each Council to offer a counter fraud and error service and to identify and investigate any fraudulent activity.

KEY SERVICE OBJECTIVES:

In preparing the objectives for this plan, the Shared Service Management Team has reviewed all of the known influences on the service. These include customer needs, staff needs/issues, the overall environment, performance issues and the various changes associated with improving service provision.

Key Service Objectives for the Shared Service for 2022/23 are:

- To create and promote a robust “anti-fraud” culture across the three authorities, highlighting the Council’s zero tolerance of fraud, bribery and corruption.
- To review supporting policies and procedures to strengthen governance and improve resilience to fraud and corruption.
- To embrace partnership working to enable excellent service delivery, whilst achieving financial savings to the partner authority.
- To ensure that investigations comply with the regulatory environment such as Criminal Procedures and Investigations Act 1996 (CPIA), Police and Criminal Evidence Act 1984 (PACE), Regulation of investigatory Powers Act 2000 (RIPA), Human Rights Act 1998 (HRA), Data Protection Act 2018 (DPA), Freedom of Information Act 2000 (FOI) and GDPR.
- To work with social housing providers to recover properties from fraudsters enabling those identified as being most in need of social housing to be re-housed.
- To encourage a strong culture of good performance in relation to cost and develop relevant performance measures;
- To promote the principles of fairness, equality of opportunity, social inclusion and poverty reduction through service provision;

OTHER MAJOR RESPONSIBILITIES:

Council Tax Support Scheme (CTS) Fraud

- The Council Tax Support (CTS) scheme replaced Council Tax Benefit and as such, responsibility for investigating related fraud lies with the Council. The DWP

Single Fraud Investigation Service has no powers to investigate these issues. The DWP have now introduced joint working on CTS cases where there is also a suspected fraud against national benefits. The North West Region commenced joint working on 29th April 2019.

- Investigate allegations of fraud against the CTS systems administered across the three partner Councils;
- Undertake pro-active exercises in areas considered of being at a high risk of fraud;
- To consider appropriate sanction action against fraudsters, in line with all three Council's sanction policies;
- To use the authorised officer powers contained within the CTS scheme (Detection of Fraud and Enforcement) (England) Regulations 2013 in a fair, consistent and legal manner;
- To minimise financial losses as a result of fraud.

Business Rates/ Business Grant Fund/ Council Tax Fraud

To deal with an area of fraud where Council's may lose significant revenue through abuse of the discount, exemption and grant rules. General objectives are to:

- Investigate allegations of fraud across Business Rates, and Council Tax systems administered by the three partnering Councils.
- Participate in National Fraud Initiative data matching to identify irregularities.
- Work with Business Rates, Council Tax teams and visiting officers to help identify and deal with high risk areas of fraud.
- Undertake pro-active visits to high risk premises to identify business rates fraud.
- Utilise the Destin Solutions system to identify false claims for small business rate relief.
- Participate in the Cabinet Office Spotlight due diligence checks to identify potential areas of fraud.

Housing Tenancy Fraud

Lancaster City Council has retained its housing stock, which may be at risk of fraud such as subletting, key swapping, non-residency and right to buy fraud.

New criminal offences were introduced by the Prevention of Social Housing Fraud Act 2013. This includes powers for local authorities to obtain information and the use of

unlawful profit orders. Only local authorities have the powers to prosecute these offences, which include all social housing, not just properties owned by the authority.

The Corporate Enquiry Team will work with the Housing team at Lancaster and other Registered Social Landlords to detect and punish tenancy fraud. This will create a deterrent and help to recover properties that are being misused, to be utilised to house those deemed to be most in need of the resource. This should help reduce temporary accommodation costs which are estimated to be around £18,000 per year for a homeless family. The Team will:

- Work closely with Lancaster City Council's Housing team, to encourage staff and residents to report fraud and allow us to deal with it effectively
- Encourage partnership working with our Registered Social Landlords to ensure that the properties they manage are not subject to fraud. This will free properties for some of our residents who are in genuine need.

Staff/Employee Fraud

To assist Audit, Human Resources (HR) and other services deal with investigations of employee fraud. These may include:

- Bribery and Corruption
- Abuse of financial systems, including payroll
- Abuse of personal data for criminal reasons
- Abuse of working time/flexi scheme arrangements
- False expenses claims
- Abuse of the absence and sickness procedure
- Recruitment fraud

KEY PROJECTS

Specific projects for 2022/23 include:

- Continue to participate in Operation GENGA, a multi-agency project to help tackle serious and organised crime.
- Participate in the National Fraud Initiative data matching exercises.

FINANCIAL APPRAISAL

The 2022/23 proposed budget for the Corporate Enquiry Team Shared Service is £164,430.00.

The costs of the services over the past two years are shown in the table below along with the budget for the year ahead:

	2022/23 Budget	2021/22 *Provisional Actual	2020/21 Actual
Employee Costs	154,030	141,453	132,118
Transport Costs	3,300	309	2,997
IT Equipment and Systems	4,500	5,858	1,881
Other Supplies and Services	2,600	2,065	721
Total	£164,430	£149,685	£137,717

**At the time this business plan was prepared only provisional actual costs for the year 2021/22 were available as the financial accounts had not been closed off for the financial year. Little to no fluctuation is expected to the provisional figures quoted.*

The operating costs are met from partner Councils on a monthly basis, based on the annual budget. Contributions from partner Councils are split as follows:

- Preston City Council: 40%.
- Lancaster City Council: 40%
- Fylde Borough Council: 20%

In addition to Preston City Council's contribution of 40%, the Council absorbs the overheads relating to the Corporate Enquiry Team Shared Service team e.g. HR, Finance, and ICT.

The shared service has no capital expenditure.

EQUALITY IMPACT ASSESSMENT

The outputs / outcomes detailed within this Business Plan could affect service users or employees. The impact on different groups will depend on those referrals identified as sufficiently high risk to require investigation. However, processes are in place to ensure those affected are treated equitably. eg. interpreter facilities for those whose first language is not English.

The outcomes of our fraud work can affect some individuals, for example employees who are dismissed following a disciplinary hearing. However, where a disciplinary is held, the outcome lies with the individual manager concerned, as each case will be considered on its own merits.

An Equality Impact Assessment Action Plan is reproduced at **Appendix A**

PERFORMANCE

Performance management is an important component of the shared service arrangement and is a key measure in terms of:

- Developing a sustainable operation;

- Maintaining positive and pro-active partnerships;
- Develop new partnerships where it is beneficial for our residents

Senior managers work with peers and stakeholders in each Council and with external bodies, to measure and maintain performance levels.

The team will seek to find levels of fraud at least the equivalent of the cost of the service. However, it should also be noted that we expect additional “soft” benefits to accrue.

From 1st April 2017 the team introduced an additional methodology to identify counter fraud performance. When a claim for an allowance, discount, reduction or exemption ends or reduces as a result of an intervention by the Corporate Enquiry Team the value of the intervention is not just the amount of any overpayment that has occurred.

It is recognised that there is also a “future” saving made by preventing further incorrect payments being made. In such cases the weekly amount of reduced entitlement to an allowance, discount, reduction or exemption applied following fraud intervention is multiplied by 52, as it is reasonable to believe that the award would have continued unchanged for a full year (average) had no intervention taken place. This was agreed as an appropriate performance measure by the Lancashire and Greater Manchester Fraud Investigators Group. These will be reported as a separate figure from overpayments.

For social housing fraud the team will use the nationally accepted figure of £18,000 for every property recovered. This figure is based on estimated temporary accommodation costs. Again, this will be reported separately from actual overpayments.

In addition to this, targets have been set to identify actual overpayments during 2022/23:

- Preston £110,000
- Lancaster £110,000
- Fylde £55,000

FUTURE DEVELOPMENT

- **Corporate Fraud Awareness**

To work with Audit teams to identify areas of high fraud risk in all three Councils and to help staff recognise and refer potential discrepancies. The team will assist services in developing systems that reduce the risk of fraud.

- **Other new areas**

Possibility of additional NFI data-matching
To review resources (invest to save)

THREE YEAR HORIZON

- To maintain partnership working between the three partner Councils;
- To publicise positive results and sanction action taken against fraudsters, creating a deterrent against those seeking to defraud the Council and its partners;
- To participate in joint working with the Department for Work and Pensions where our investigations correlate;
- To ensure that staffing structures and resources are fit for purpose, shifting resources to areas of greatest need to achieve optimum results;
- To ensure compliance with the Governments proposed counter fraud standards.

Full Equality & Human Rights Impact Assessment (EHRIA)

Department Customer Services	Division Revenues	Officers involved in the assessment Adrian Robinson, Head of Shared Service Haley Garstang, Fraud Manager Candice Lancaster, Special Projects Manager Who is the owner of this EHRIA - responsible for monitoring outcomes? Haley Garstang, Fraud Manager
Name of the policy, function or service provision to be assessed: Corporate Fraud Investigation	Date of assessment: 29/09/15 31/03/17 01/05/18 28/05/19 02/07/20 02/07/21 29/04/22	Is this a new or existing policy or service provision? New Revised Revised Revised Revised Revised Revised

Who defined the policy, function or service provision and who are the main stakeholders?

Section 151 of the Local Authority Finance Act 1972 stipulates a requirement to protect public funds.

The main stakeholders are:-

- **All residents of the three districts;**
- **The business community;**
- **Benefit/Council Tax Support customers;**
- **Elected representatives.**
- **Other Council services;**
- **Department for Work and Pensions;**
- **Pensions Service;**
- **Jobcentre Plus;**
- **Valuation Office Agency;**
- **Rent Service;**
- **Registered Social Landlords;**
- **Private Landlords/Agents;**
- **HM Revenues and Customs;**
- **UK Border Agency;**
- **National Fraud Authority;**
- **HM Courts and Tribunals Service;**
- **The Home Office;**
- **The National Crime Agency**
- **Advice Agencies – CAB & Welfare Rights Service;**
- **Department for Communities & Local Government;**
- **Enforcement Agents;**
- **Solicitors;**
- **Other local authorities;**
- **Police.**

<p>Who implements and who is responsible for this policy or service provision?</p> <p>Adrian Robinson, Head of Shared Service</p>

The EHRIA form above should be undertaken if your preliminary assessment highlights that you need to gather more information about the impact of your service on a group or if you know that there is potential for an adverse impact upon a section of the community.

Completing this form supports our work towards becoming an excellent council under the Equality Framework for Local Government (EFLG)

The Equality Framework for Local Government (EFLG) is based on three levels of achievement; 'developing', 'achieving' and 'excellent'

The five areas of performance are:

- Knowing your communities and equality mapping
- Place shaping, leadership, partnership and organisational commitment
- Community engagement and satisfaction
- Responsive services and customer care
- A modern and diverse workforce.

Visit the IDeA's website for more details on the Framework

<http://www.idea.gov.uk/idk/core/page.do?pagelId=9499336>

Public Sector Equality Duty

Which of the 3 general equality duties listed below does your policy or service provision impact upon – please use space to comment.

1. Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
2. Advance equality of opportunity between people who share a protected characteristic and those who do not.
3. Foster good relations between people who share a protected characteristic and those who do not.

Please use the space above to outline what the relevance of the policy or service provision is to the general equality duties and equality groups. Remember to consider each of the general duties and not only the duty to eliminate discrimination.

Where it is concluded that the policy is not relevant to a specific duty, this should be recorded here with the reasons why and evidence.

The Equality & Human Rights Commission's '**The essential guide to the public sector equality duty**' has a useful example of how to consider relevance

'To ensure that you are having due regard to the aims of the duty, you need to consider all of your functions in order to determine which of them are relevant to the aims of the duty. Some functions will be relevant to most or

all protected groups, such as recruitment. Other functions may be relevant to one ‘arm’ of the duty but not to others, or to the needs of some protected groups but not to others. For example, your IT policies and practices will be relevant to the elimination of discrimination and the advancement of equality for disabled people but may not be for fostering good relations or for other groups.’

See link below for guidance

http://www.equalityhumanrights.com/uploaded_files/PSD/equality_impact_assessment_guidance_quick-start_guide.pdf

Understanding the importance of equality in visions of place, political and officer leadership, working with partners to challenge inequality

– Describe the aims and objectives of the policy or service provision, how does it complement PCC Corporate Priorities:	Section 151 of the Local Authority Finance Act 1972 stipulates a requirement to protect public funds. Preston City Council has a zero tolerance stance on fraud, and ensures that resources are in place to prevent and detect fraudulent activity, and punish those who are found to have committed offences in accordance with the Council’s Sanction Policy. This contributes towards the Council’s good governance, openness and transparency and Well Run corporate priorities, working with partners and stakeholders.
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	Protecting public funds that can be allocated to those individuals and groups who genuinely need it.
– What are the expected outcomes from this policy or service provision?	<ul style="list-style-type: none"> • To deliver cost effective services that provide value for money; • To ensure that investigations comply with the regulatory environment such as Criminal Procedures and Investigations Act 1996 (CPIA), Police and Criminal Evidence Act 1984 (PACE), Regulation of investigatory Powers Act 2000 (RIPA), Human Rights Act 1998 (HRA), Data Protection Act 1998 (DPA) and Freedom of Information Act 2000 (FOI). • To recover properties from fraudsters to enable re-housing of those identified as being most in need of social housing. • To encourage a strong culture of good performance in relation to cost; • To promote the principles of fairness, equality of opportunity, social inclusion and poverty reduction through service provision; • To embrace partnership working to enable the delivery of an excellent service, whilst achieving savings based on economies of scale, reductions in duplication and financial savings to the authority.

<p>– Is this policy or service provision being delivered in partnership? If so, please detail partnerships involvement</p>	<p>Shared Service with Lancaster City Council and Fylde Borough Council for whom we deliver the counter-fraud service.</p>

Responding to Need

<p>– Who is intended to benefit from the policy, strategy or function and in what way?</p>	<ul style="list-style-type: none"> • Central Government benefit from not only the fraud identified, but from the deterrent effects. • The Council benefits reputationally by having a high profile successful fraud team,. • The Council generates an income from the counter-fraud work carried out on behalf of Fylde BC. • Tax payers within the City, by protecting the public purse and only paying claims where there is a genuine need. • Communities benefit from reduced poverty and deprivation through the correct allocation of support. • Any overpayment that is considered fraudulent can be recovered at a higher rate; therefore overpayments are recovered more expediently.
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<p>– What do you already know about who uses this service? Are there identified gaps in the information needed (Actions to collect this data should be included in your action plan)</p>	<p>Each referral of fraud is risk assessed and any investigation resulting from that is based on its own individual merits, regardless of gender, ethnicity, sexual orientation etc..</p> <p>It is unnecessary to collect detailed customer data as there is no intention to use this data to target investigations.</p> <p>We use registered interpreters when appropriate to ensure that customers are not disadvantaged by language barriers.</p>
<p>– What further consultation do you need to do? Please describe how you propose to proceed?</p>	<p>None.</p>

Comments

Are there any issues that you feel are important and have not been identified in this EHRIA?

Assessing Impact on each Protected Characteristic

Step 1

Consider the aims and expected outcomes of the service / function or project you are delivering and ask yourself the following questions:-

- How are the current needs of different equalities groups and communities being met?
- Is there any initial evidence that any part of it could discriminate unlawfully, directly or indirectly, against particular groups of people?
- How will you ensure that your chosen methods of communication will reach all communities?

Step 2

Look at each protected characteristic, would any group be affected differently than others ? If you believe they would please identify whether this would be positively or negatively.

If there is no differential impact then you should select the neutral option.

Positive = you can evidence that outcomes from this project have / will impact positively on a protected characteristic

Negative / Unsure = Outcomes have not / are not expected to impact positively (There must be a corresponding action in your plan to address this or comment to justify why you cannot address the impact)

Neutral = No evidence either way

Protected Characteristic	Positive	Negative	Unsure	Neutral	Comments
Race				*	
Disability				*	
Gender				*	

Protected Characteristic	Positive	Negative	Unsure	Neutral	Comments
Age				*	
Religion & Belief				*	
Sexual orientation				*	
Socio economic				*	
Transgender				*	
Carers*				*	
Human Rights				*	
Pregnancy & Maternity				*	
Rural Issues*				*	
Ex Offenders*				*	

<p>If you found adverse impact on any grounds at all, can it be avoided? What action will you take?</p> <p>(If you make changes because of adverse impact make sure these don't have a further adverse effect on any other group)</p>	<p>With regards to race, it is difficult and almost impossible to translate all correspondence into every spoken language within the City, but interpretation services are available.</p>	
<p>If there is nothing you can do about any adverse impact highlighted, can the reasons be justified on the grounds of promoting equality of opportunity for any groups?</p>		
<p>What lessons have been learnt from completing the assessment?</p>	<p>Although we don't collect detailed customer data, in the interests of fairness, it doesn't seem necessary due to our risk assessment procedures and prosecution policy that is in place.</p>	

Signed (completing Officer)..... Signed (Lead Officer).....

INFORMATION ITEM

REPORT OF	MEETING	DATE	ITEM NO
HEAD OF GOVERNANCE	AUDIT AND STANDARDS COMMITTEE	26 MAY 2022	7

LOCAL GOVERNMENT ETHICAL STANDARDS: GOVERNMENT RESPONSE

PUBLIC ITEM

This item is for consideration in the public part of the meeting.

SUMMARY OF INFORMATION

The Committee on Standards in Public Life published its report on ethical standards in local government in January 2019. The report included good practice recommendations and recommendations to Government for legislation. The Government has now published its response to the report. The response indicates that the Government disagrees with some of the recommendations and does not have immediate plans to implement most of the remainder. Links to the report and the Government response are included below.

SOURCE OF INFORMATION

Department for Levelling-up, Housing & Communities.

LINK TO INFORMATION

Report of the Committee on Standards in Public Life: www.gov.uk/government/publications/local-government-ethical-standards-report

Government response: www.gov.uk/government/publications/local-government-ethical-standards-government-response-to-the-committee-on-standards-in-public-life-report/government-response-to-the-committee-on-standards-in-public-life-review-of-local-government-ethical-standards

WHY IS THIS INFORMATION BEING GIVEN TO THE COMMITTEE?

The terms of reference of Audit & Standards Committee include promoting and maintaining the highest ethical standards and conduct by councillors. The committee is responsible for operating a locally based system for assessment of complaints that a member may have breached the Code of Conduct.

FURTHER INFORMATION

Contact Ian Curtis (ian.curtis@fylde.gov.uk, 01253 658506).